



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

January 14, 2014

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Executive Summary

This memorandum contains reports on the following:

- **Change of County Position on Legislation**
 - **County-opposed SB 673 (DeSaulnier)** - previously related to cost benefit analyses for proposed developments, as gutted-and-amended on January 6, 2014, now relates to the Contra Costa County Board of Retirement; **therefore, the Sacramento advocates will remove the County's position to this bill and take no position.**
- **Status of County-Sponsored Legislation**
 - **County-sponsored SB 827 (Liu)** - related to the County's Enhanced Homeowner Fraud Notification Program, was introduced on January 6, 2014.
- **Status of County-Advocacy Legislation**
 - **County-opposed AB 194 (Campos)** - which as amended on January 6, 2014, would allow a district attorney or any interested party to commence judicial determination to declare an action taken by a local governing body as null and void if it is determined that the legislative body violated the Brown Act's public comment provisions. As amended, AB 194 could

"To Enrich Lives Through Effective And Caring Service"

*Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only*

subject the County to costly and lengthy litigation, as well as hold critical Board actions pending legal determination. Therefore, unless otherwise directed by the Board, consistent with adopted policy related to abridgement or elimination of the Board of Supervisors' powers and duties and to the imposition of unreasonable burdens to provide access to information managed by local agencies, **the Sacramento advocates will continue to oppose AB 194.**

- **Legislation of County Interest**

- **AB 471 (Atkins)** - which as gutted and amended on January 6, 2014, relates to infrastructure financing districts (IFDs), is being reviewed by this office, County Counsel, the Auditor-Controller's office, and the Community Development Commission to determine any potential impact to the County.

Change of County Position on Legislation

County-opposed SB 673 (DeSaulnier), which as amended on May 21, 2013, would have required a city, county, or city and county to ensure a cost benefit analysis be prepared prior to approving or disapproving a proposed development project estimated to receive over \$1.0 million in subsidies, was gutted and amended on January 6, 2014. As amended, the bill would now authorize the Contra Costa County Board of Retirement to appoint a retirement administrator and other personnel as required to accomplish the necessary work of the board, among other provisions.

All provisions related to the approval or disapproval of proposed development projects by cities and counties have been removed. **Therefore, the Sacramento advocate will remove the County's position to this bill and take no position.**

Status of County-Sponsored Legislation

County-sponsored SB 827 (Liu), as introduced on January 6, 2014, would extend to January 1, 2020 the authorization (**County-sponsored SB 62 of 2011**) that allows Los Angeles County to send notifications to occupants of a residential property when a notice of default or notice of sale has been recorded on that residence and provides for counseling and assistance to all notification recipients. SB 827 is in the Senate pending assignment to committee.

Status of County-Advocacy Legislation

County-opposed AB 194 (Campos), which as introduced on January 28, 2013, would have made it a misdemeanor for the chairperson of a legislative body of a local agency to prohibit public criticism of the agency's services and activities, was amended on January 6, 2014.

As amended, AB 194 would allow a district attorney or any interested party to commence judicial determination to declare an action taken by a local governing body as null and void if it is determined that the legislative body violated the Ralph M. Brown Act (Brown Act) provisions that provide members of the public an opportunity to address the legislative body on items being considered at their regular or special meetings.

The Executive Office of the Board indicates that AB 194 could significantly impact the County by encouraging members of the public to file court actions against the Board and other County boards, committees and commissions. The Executive Office notes that because the Brown Act allows local agencies to establish reasonable rules to manage and conduct public comment, what could constitute a violation is open to broader interpretation. As such, AB 194 could encourage members of the public to file many claims on various grounds, potentially subjecting the County to additional costly and lengthy litigation. In addition, because actions taken in alleged violation would be subject to being declared null and void, a local agency would theoretically be unable to move forward with critical and time-sensitive Board actions pending judicial determination. The Executive Office indicates that in the extreme case, it is possible that actions taken at an entire meeting or multiple meetings could be declared null and void if the legislative body's rules for public comment were generally deemed by a court to be in violation. This could lead to major operational difficulties in managing the meetings of the legislative body and conversely, the larger local agency operations. County Counsel concurs with the concerns posed by the Executive Office noting that the proposed language is overbroad.

This office and the Executive Office recommend continued opposition of AB 194. County Counsel concurs with this recommendation. Therefore, consistent with Board approved policies to oppose: 1) any abridgement or elimination of the Board of Supervisors' powers and duties unless the change promotes a higher priority of the Board and 2) legislation that imposes unreasonable burdens or creates unfunded mandates to provide access to records, information managed and maintained by County agencies, and unless otherwise directed by the Board, **the Sacramento advocates will continue to oppose AB 194.**

AB 194 is opposed by the California State Association of Counties; Urban Counties Caucus; Rural County Representatives of California; and California Association of Clerks and Election Officials. There is no registered support on file.

AB 194 is scheduled to be heard in the Assembly Local Government Committee on January 15, 2014.

Legislation of County Interest

AB 471 (Atkins), which as introduced on February 19, 2013, would have eliminated a statutory limit on the number of State contracts with Program for All Inclusive Care of the Elderly (PACE) organizations, was gutted and amended on January 6, 2014. As amended the bill now would allow an Infrastructure Financing District (IFD) to include portions of former redevelopment project areas, and make several changes to the laws governing the dissolution of redevelopment agencies (RDAs).

Specifically, this bill would:

- 1) Allow an IFD to include portions of former redevelopment project area and to finance a project or portion of a project that is located in, or overlaps with, a redevelopment project area or former redevelopment project area;
- 2) Authorize a successor agency to amend an existing contract or agreement related to long-term enforceable obligations, or enter into a new contract or agreement in furtherance of an existing contract or agreement, for the purpose of administering projects in connection with long-term enforceable obligations, if the existing contract or agreement has been approved by the Department of Finance (DOF);
- 3) Prohibit any amendment of an existing contract or agreement, or any new contract or agreement, from committing any new funding from any source beyond the funding that was previously authorized in the existing contract or agreement;
- 4) Prohibit the amending of an existing contract or agreement, or any new contract or agreement, from otherwise adversely affecting the flow of property tax revenues or payments made to taxing entities;

- 5) Authorize a successor agency to schedule Recognized Obligation Payment Schedule (ROPS) payments beyond the existing ROPS cycle upon showing that a lender requires cash on hand beyond the ROPS payment cycle or that a payment is due during the ROPS cycle;
- 6) Require a successor agency to provide notice to the oversight board at least 10 days prior to entering into a contract or agreement for the use or disposition of properties, as specified;
- 7) Authorize the oversight board to notify the successor agency during that 10-day period that it intends to conduct a public hearing to determine whether the contract or agreement is consistent with the successor agencies' long-range asset management plan;
- 8) Require that, on January 2, 2014, and twice yearly thereafter until June 1, 2018, funds be allocated to cover the housing entity administrative cost allowance of a local housing authority that has assumed the housing duties of the former redevelopment agency, as specified, before remaining moneys are distributed to local agencies and school entities;
- 9) Define the term "housing entity administrative cost allowance" for these purposes; and
- 10) Define the term "identified in an approved redevelopment plan" to include properties listed in a community plan or a 5-year implementation plan.

This bill is an urgency measure and would take effect immediately if enacted.

AB 471 is a reintroduction of AB 662 (Atkins) of 2013, which was vetoed by the Governor on October 11, 2013. In his veto message, the Governor noted the language to authorize new or amended contracts to existing enforceable obligations could result in unintended costs to the State General Fund. The Governor also directed his administration to work with the author in 2014 to make changes to the bill's language in a manner that would avoid these costs.

The bill is supported by the City of West Sacramento; Infill Builder Federation; BRIDGE Housing; Mission Bay Development Group; and Strada Investment. Opposition to AB 471 is unknown at this time.

Each Supervisor
January 14, 2014
Page 6

This office is working with County Counsel, the Auditor-Controller's office, and the Community Development Commission to review the provisions of the bill and the revised language to determine any potential impact to the County.

AB 471 is scheduled to be heard in the Senate Governance and Finance Committee on January 15, 2014.

We will continue to keep you advised.

WTF:RA
MR:PC:IGEA:ma

c: All Department Heads
Legislative Strategist